



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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September 1, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST FOR DELEGATED AUTHORITY TO ENTER INTO FOUR AMENDMENTS
TO COUNSELING AND TESTING ADVANCING HIV PREVENTION INITIATIVE (AHP)
AGREEMENTS, ONE RETROACTIVE AMENDMENT TO A MEDICAL OUTPATIENT
AGREEMENT AND ONE SOLE SOURCE AGREEMENT FOR AHP PREVENTION
INITIATIVE SERVICES
(All Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of Health Services, or his designee, to execute four amendments for HIV/AIDS service agreements for Advancing HIV Prevention Initiative (AHP) services, with the service providers identified in Attachment A, to extend the term of each agreement effective September 15, 2005 through June 14, 2006, at an additional cost of \$506,266.00, as set forth in Attachment B, for a total maximum obligation for all agreements of \$1,122,746, fully revenue offset by federal Centers for Disease Control (CDC) funds, upon prior approval of County Counsel and the Chief Administrative Office.
2. Delegate authority to the Director of Health Services, or his designee, to execute one retroactive Amendment to Agreement Number 209012 with T.H.E. Clinic, Inc. (T.H.E. Clinic), for Medical Outpatient services, with an effective date of March 1, 2005 through September 14, 2005, for a total maximum obligation of \$18,800, fully revenue offset by CDC funds, upon prior approval of County Counsel and the Chief Administrative Office.
3. Delegate authority to the Director of Health Services, or his designee, to execute one sole source agreement with T.H.E. Clinic, for HIV/AIDS AHP services, effective September 15, 2005 through June 14, 2006, for a total maximum obligation of \$185,498, fully offset by CDC funds, upon prior approval of County Counsel and the Chief Administrative Office.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving the recommended action, the Board is authorizing the Department of Health Services (DHS or Department) to obligate federal Centers for Disease Control and Prevention (CDC) funds, through execution of four amendments and one sole source agreement with five community-based providers. Additionally, the Board is ratifying the augmentation of the maximum obligation of the Medical Outpatient services agreement as well as the modification of the scope of work to require the provision of routine, rapid testing services provided by T.H.E. Clinic.

Board approval of the recommended actions will allow DHS to continue the provision of vital HIV/AIDS services to the residents of Los Angeles County and to rectify an error as to the augmentation of the Medical Outpatient agreement's maximum obligation and modification of the scope of services.

FISCAL IMPACT/FINANCING:

The four amendments for the extension of AHP services, effective September 15, 2005 through June 14, 2006, have a total maximum obligation of \$1,122,746, 100% offset with CDC funds.

The retroactive amendment to the Medical Outpatient agreement with T.H.E. Clinic, which expands it to include AHP services, effective March 1, 2005, through September 14, 2005, has a total maximum obligation of \$18,800, 100% offset with CDC funds.

The sole source agreement for AHP services with T.H.E. Clinic, effective September 15, 2005 through June 14, 2006, has a total maximum obligation of \$185,498, 100% offset with CDC funds.

The total maximum obligation for all services is \$1,327,044, fully offset by CDC funds. Funding is included in the Fiscal Year 2005-06 Adopted budget. Payments under the five amendments and sole source agreement will be on a cost reimbursement basis. Attachment B identifies, by service category, the providers and the contract maximum obligation by term.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Since February 1983, the County has accepted funding from the CDC to enhance HIV/AIDS prevention activities. For a number of years, the Board has approved agreements and amendments with community-based agencies to implement these HIV/AIDS activities and improve the delivery and effectiveness of HIV prevention and care services.

Advancing HIV Prevention Initiatives - Four Amendments

On May 18, 2004, the Board approved the execution of five amendments to agreements for the provision of HIV/AIDS AHP services effective upon Board approval through September 14, 2005, at a total cost of \$1,119,018. The community-based agencies identified for the provision of the AHP services were AIDS Healthcare Foundation, Clinica Monsenor Oscar A. Romero, Los Angeles Free Clinic, Los Angeles Gay and Lesbian Center, and Los Angeles SHANTI Foundation.

The initial activities conducted under the grant included case finding and testing. These services were provided in a manner that complemented existing systems of care and included the objectives of reducing the number of new HIV infections occurring each year, prevention education to people who are HIV positive, and the incorporation of HIV testing as a routine part of medical care.

Delays with full implementation of the project resulted in contract deliverables not being fully met and grant funds not being fully expended. In September 2004, the CDC conducted a site visit with the Office of AIDS Programs and Policy (OAPP) to identify the causes for the delays and to discuss efforts to increase testing services.

To address this need, the CDC proposed that OAPP add an additional clinical site and, in an effort to meet contract deliverables and maximize the grant, the CDC also approved a request for a nine-month grant extension, at no additional cost to the County, effective September 15, 2005 through June 14, 2006.

Los Angeles SHANTI Foundation will not continue the provision of AHP services beyond September 14, 2005. Accordingly, its agreement is not recommended for amendment. Under the recommended amendments, the other four contractors will continue to provide AHP services. The term of these agreements will be extended effective September 15, 2005 through June 14, 2006.

Medical Outpatient Services - One Retroactive Amendment

CDC authorized the addition of T.H.E. Clinic to the AHP program in January, 2005 as a means to increase the level of testing services. In February, 2005, and in lieu of recommending an AHP agreement to the Board, OAPP processed a 15% augmentation to increase the maximum obligation to T.H.E. Clinic's Medical Outpatient contract and modified the scope of work to require the agency to provide routine, rapid testing services.

At the time of this decision, OAPP believed that the augmentation in funding and change in the scope of work was consistent with the terms and conditions of the Medical Outpatient contract and with the Department's delegated authority to augment the contract's maximum obligation, because the agreement contained a counseling and testing schedule. However, the inclusion of routine, rapid testing services modified the scope of work previously approved by the Board in that the provision of these specific services became a required work component as opposed to being one of several types of testing that T.H.E. Clinic, in its discretion, could choose to provide.

In recognition of this error, the Department is recommending that the Board approve a retroactive amendment to ratify the expenditure of funds and modification of the scope of work. The term of the retroactive amendment will be March 1, 2005, through September 14, 2005.

Advancing HIV Prevention Initiatives New Sole Source Agreement

In March 2005, the CDC returned to Los Angeles to meet with the Executive Directors and Medical Directors of AHP-funded agencies and to review progress since the September 2004 site visit. With the addition of routine, rapid testing services under T.H.E. Clinic's Medical Outpatient agreement and increased testing at the other provider sites, the CDC determined the routine, rapid testing services component of AHP-funded services to be on target.

However, the CDC determined that providers of partner and counseling referral services (PCRS), the other component of AHP-funded services, were still struggling to effectively implement the new models of rapid testing to increase outcomes for PCRS.

In an effort to increase delivery of these services, OAPP proposed a list of providers who offer medical outpatient services to HIV positive clients as potential service providers. However, the CDC reviewed the list of proposed providers and only agreed to the addition of T.H.E. Clinic for the provision of PCRS, since this provider was already providing routine, rapid testing services and had done so as a direct contractor previously with the CDC.

T.H.E. Clinic has vast experience providing routine medical services in a high volume clinical setting to a largely African American and Latino community in South Los Angeles Service Planning Area 6.

Therefore, based on the fact that T.H.E. Clinic has a proven track record in the provision of AHP services, and to comply with the directives of the CDC, the Department recommends the approval of a sole source agreement with T.H.E. Clinic for the provision of these services.

The sole source agreement will be effective September 15, 2005 through June 14, 2006.

CONTRACTING PROCESS

In July 2002, the CDC released a Request for Proposals (RFP) for the provision of AHP services. The Department had approximately 30 days to respond to this grant opportunity. Existing contractors were identified who could facilitate the submission of a competitive grant proposal in response to the CDC solicitation. Subsequently, a review by the CDC of the responses received resulted in the recommendation of agencies who would be best positioned to partner with OAPP for the provision of AHP services.

It was not possible for the Department to release and complete an RFP solicitation for recommendation of contractors to the Board because the CDC program and grant funding periods would not allow sufficient time to release and complete a competitive solicitation process.

Additionally, in order to comply with the recommendations of the CDC and to continue the provision of rapid testing and PCRS services, the Department is recommending T.H.E. Clinic as a sole source provider to augment the existing providers of AHP services based on the following criteria:

- T.H.E. Clinic has experience with the provision of AHP services and has previously provided routine testing through direct funding provided by the CDC.
- T.H.E. Clinic has vast experience providing routine medical services in a high volume clinical setting to largely African American and Latino community in South Los Angeles.
- The addition of T.H.E. Clinic as an additional provider for AHP services has been recommended by the CDC, based on the agency's experience and ability to process high volume case loads.

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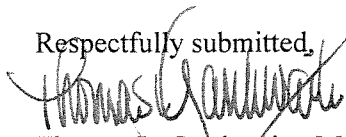
The Department has determined that the contract does not fall under the guidelines of Proposition A and that the Living Wage Ordinance does not apply to this contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the four amendments and the sole source agreement will allow Countywide HIV/AIDS services to continue uninterrupted and will facilitate the continuation of prevention services to reduce HIV infection among County residents at risk for HIV/AIDS.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:ks

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

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1. TYPE OF SERVICE:

HIV/AIDS Advancing HIV Prevention Initiative Services.

2. AGENCY NAME AND CONTACT PERSON:

- A. AIDS Healthcare Foundation
6255 West Sunset Boulevard, Suite 2100
Los Angeles, California 90028-8073
Attention: Michael Weinstein, President
Telephone: (323) 860-5200
Fax: (323) 962-8513
- B. Clinica Monseñor Oscar A. Romero
123 South Alvarado Street
Los Angeles, California 90057
Attention: Eduardo A. Gonzalez, Executive Director
Telephone: (213) 201-2745
Fax: (213) 989-7702
- C. T.H.E. Clinic, Inc.
3860 West Martin Luther King Boulevard
Los Angeles, California 90008
Attention: Donzella P. Lee, Interim Executive Director
Telephone: (323) 295-6571
Fax: (323) 295-6577
- D. The Los Angeles Free Clinic
8405 Beverly Blvd.
Los Angeles, California 90048
Attention: Jeffrey Bujer, Co-Chief Executive Officer
Abbe Land, Co-Chief Executive Officer
Telephone: (323) 330-1660
Fax: (323) 658-6773
- E. The Los Angeles Gay & Lesbian Community Services Center
1625 N. Schrader Boulevard
Los Angeles, California 90028
Attention: Lorri L. Jean, Executive Director
Telephone: (323) 993-7609
Fax: (323) 308-4002

3. TERMS:

	<u>Current Term</u>	<u>Revised Term</u>
CDC [AHP Initiative]	1/1/05 - 9/14/05	1/1/05 - 6/14/06

4. FINANCIAL INFORMATION:

	<u>Current Term</u>	<u>Revision</u>	<u>Revised Term</u>	<u>Totals</u>
Maximum County Obligation:	\$668,629	\$658,415	\$1,327,044	\$1,327,044
<u>CDC Funds:</u>	<u><668,629></u>	<u><658,415></u>	<u><1,327,044></u>	<u><1,327,044></u>
Net County Cost:	0	0	0	0

5. GEOGRAPHIC AREA SERVED:

SPAs 1, 4, 5, 6, 7, and 8
Supervisory Districts 1, 2, 3, 4, and 5

6. ACCOUNTABLE FOR MONITORING AND EVALUATION:

Mario J. Pérez, Interim Director, Office of AIDS Programs and Policy

7. APPROVALS:

Office of AIDS Programs and Policy:	Mario J. Pérez, Interim Director
Public Health:	John F. Schunhoff, Ph.D., Chief of Operations
Contracts and Grants Division	Cara O'Neill, Chief Contracts & Grants
County Counsel (approval as to form):	Allison Morse, Deputy County Counsel

ADVANCING HIV PREVENTION INITIATIVE SERVICES - 4 AMENDMENTS							
Amendment Term: 9/15/05 - 6/14/06							
Agency Agreement Number	Current Maximum Obligation	Increase in Maximum Obligation	Total Maximum Obligation	Funding Source	SPA	Supervisory Districts	
AIDS Healthcare Foundation No. H-207279-4	\$165,813	\$204,237	\$370,050	CDC	1, 4, 5, 6, 7, 8	1, 2, 3, 4, 5	
Clinica Monsenor Oscar A. Romero No. H-213466-3	\$142,427	\$94,951	\$237,378	CDC	4, 7	1	
The Los Angeles Free Clinic No. H-207530-3	\$142,427	\$94,951	\$237,378	CDC	4	3	
The Los Angeles Gay & Lesbian Community Services Center No. H-211828-4	\$165,813	\$112,127	\$277,940	CDC	4	3	
TOTAL:	\$616,480	\$506,266	\$1,122,746				

Total Maximum County Obligation: \$1,122,746
Less CDC funds: (1,122,746)
County AIDS funds: \$ 0

ADVANCING HIV PREVENTION INITIATIVE SERVICES - 1 RETROACTIVE AMENDMENT						
Amendment Term: 3/01/05 - 9/14/05						
Agency Agreement Number	Current Maximum Obligation	Increase in Maximum Obligation	Total Maximum Obligation	Funding Source	SPA	Supervisory Districts
T.H.E. Clinic, Inc. No. H-209012-10	\$ 0*	\$18,800	\$18,800	CDC	6	2

*Advancing HIV Prevention Initiative services were not previously provided under this contract.

Total maximum County obligation: \$18,800
Less CDC funds: (18,800)
County AIDS funds: \$ 0

ADVANCING HIV PREVENTION INITIATIVE SERVICES - NEW AGREEMENT						
Agreement Term: 9/15/05 - 6/14/06						
Agency Agreement Number	Current Maximum Obligation	Increase in Maximum Obligation	Total Maximum Obligation	Funding Source	SPA	Supervisory Districts
T.H.E. Clinic, Inc. Pending	\$0	\$185,498	\$185,498	CDC	6	2

Total maximum County obligation: \$185,498
Less CDC funds: (185,498)
County AIDS funds: \$ 0